

REMARKS

This is a response to the non-final office action dated August 24, 2004.

Claims 1-19 are amended, and claims 20-36 are new. Claims 1, 24 and 32 are independent claims. Claim 1 is amended to improve clarity by clarifying that the method is a computer-implemented method that uses an on-screen display (see Fig. 1A). Additionally, it is clarified that the on-screen display allows the user to begin shopping in a fixed shopping mode, then initiate an auction in a dynamic shopping mode, then elect to return to shopping in the fixed shopping mode without being obligated to accept any of the bids provided in the dynamic shopping mode, but having a choice to select any of the bids provided in the dynamic shopping mode (specification, page 12, lines 11-17).

Claims 2-19 are amended for consistency with claim 1.

Claims 20, 21, 30 and 31 are based on the prior version of claim 1.

Claims 22, 25 and 34 are based on the specification, page 12, lines 14 and 15.

Claim 23 is based on the specification, page 20, lines 1 and 2.

Claims 24 and 32 are based on, e.g., Fig. 1A, Fig. 2A and 2B, and page 15, line 4 to page 16, line 18.

Claim 26 is based on the specification, page 15, lines 12-17.

Claims 27, 28, 35 and 36 are based on Fig. 1A (see user's computer 102).

Claim 29 is based on the specification, page 15, lines 15-17.

No new matter is entered.

Claims 1-19 are rejected under 35 U.S.C. §103(a) as being unpatentable over PCT publication no. WO 98/10361 to Walker et al. ("Walker").

Walker is concerned with a system where a binding purchase offer is received from a prospective buyer. A controller 200 makes purchase offers available to potential sellers, and determines if one or more of the sellers is willing to accept a given purchase order (Abstract). Accordingly, Walker is not concerned with the type of system provided by Applicants, where a

user can shop using a combination of a fixed shopping mode, and dynamic shopping mode, but is not obligated to accept any of the bids provided in the dynamic shopping mode.

The Examiner is requested to explain the term "capability" that is highlighted in the Office Action. It is not clear if the Examiner rejects Applicants' claims based on the incorrect assumption that the test for patentability is whether the Walker computer, or any general-purpose computer, is capable of achieving the functionality described by the present invention. This is not the test, in fact. The Examiner is required to accord patentable weight to each limitation recited in the claims.

Furthermore, the Examiner is respectfully requested to specifically point out the passages in the cited reference that are relied on as rendering the claims obvious. It is asserted in the Office Action that pages 1-175 of the reference collectively include all of the Applicants' claims. However, this assertion is vague and does not meet the requirement of MPEP 706.02(j) that the Examiner set forth the relevant teachings of the prior art relied upon, preferably with reference to the relevant columns or page numbers. Further, by properly communicating the basis for a rejection, the issues can be identified early, and the applicant can be given fair opportunity to reply.

As stated in Applicants' earlier responses, the Examiner has not specified any instance in the Walker reference that discloses or suggests the limitations set forth in the claims, but rather relies on Official Notice, inherency or implicitness in the rejection. Moreover, the Examiner asserts that the motivation for modifying Walker to arrive at the present invention is that "it would be common sense and advantageous" (Office Action, page 3). Applicants respectfully submit that this reasoning falls short of the requirements set forth in MPEP 706.02(j). As stated,

To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references. Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).

In particular, Applicants believe that Walker provides no disclosure or suggestion of providing a method where a user can shop using a combination of a fixed shopping mode, and a dynamic shopping mode, but is not obligated to accept any of the bids provided in the dynamic shopping mode. In fact, Walker teaches away from the invention because, in his approach, the purchase offer received from the prospective buyer is binding.

Respectfully, Walker does not disclose this combination of dynamic and fixed pricing shopping. Walker teaches a commerce system and method where all the commerce activities happen in one (virtual) place (e.g., a web site) called the central controller 200 (Abstract). This may be considered to be a synchronous commerce model. In contrast, with the present invention, commerce activities can be conducted on several web sites, in an asynchronous commerce model. A user can start shopping on any online retailer instead of at a fixed location as required by Walker. See Applicants' Fig. 1A and 1B, for instance, which show a bid agent and broker communicating with different online stores. If desired, the user can finish shopping in the conventional fixed shopping mode, e.g., by browsing a catalog, finding a product of interest, putting it in a shopping cart, and paying the fixed price found in the catalog. According to the present invention, if desired, the user can start an auction (i.e., dynamic shopping) on any web site, on any product found in the online retailers' catalogs. In this process, registered sellers (retailers) are invited to make offers on the product through a broker server. After the auction is completed, the user can go back to the fixed pricing shopping mode anytime for any online retailer. Walker does not teach such a combination of dynamic and fixed pricing shopping. With Applicants' invention, the user can go back and forth between the two shopping modes as desired.

Moreover, Walker does not disclose or suggest a real-time auction, where an auction is launched immediately instead of being scheduled, and lasts a short period of time, e.g., a few minutes, before being closed, and the shopper selects the winner on the spot. In contrast,

Walker's auction mechanism has more complicated scheduling requirements, winner determination rules, and the like.

Accordingly, Applicants' independent claims are believed to clearly distinguish over Walker. Moreover, Applicants' dependent claims provide further patentable features.

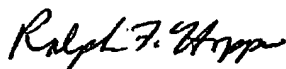
For example, regarding claims 9, 16 and 18, Walker does not disclose or suggest the purchase of complex, configurable products and services.

Regarding claim 3, Walker does not disclose or suggest the use of multiple bid conditions, other than the price, that are provided to the user in the bids. Regarding claims 3 and 5, Walker does not disclose or suggest the recommendation of comparable and related products and services as well as the selected products in the auction process.

Regarding claim 17, Walker does not disclose or suggest the use of a joint bid on a complex product or service constructed jointly by two or more online sellers.

In view of the foregoing remarks herein, it is respectfully submitted that this application is in condition for allowance. Accordingly, it is respectfully requested that this application be allowed and a Notice of Allowance be issued. If the Examiner believes that a telephone conference with the Applicants' attorneys would be advantageous to the disposition of this case, the Examiner is requested to telephone the undersigned.

Respectfully submitted,



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